

FISCAL NOTE

Bill #: HB0787

Title: Create open roads program to maintain roads on federal lands

Primary Sponsor: Maedje, R

Status: As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
-------------------	------	-----------------------------	------

Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
State Special Revenue	\$10,350	\$10,350
Revenue:		
State Special Revenue	\$369,000	\$369,000
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input checked="" type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Revenue

1. This bill would provide for a new voluntary individual income tax check off to fund the open roads program. The purpose of the program would be to provide funding for the repair, maintenance, and improvement of roads on federally owned land. Revenue from this check off would flow to a state special revenue account.
2. This bill has no impact on revenues administered by, or administrative expenses of, the Department of Revenue.
3. The new check off is structured in the same manner as the existing check offs for the non-game wildlife program, the child abuse prevention program, and the agriculture in schools program. Based on the experience of these three programs in tax years 2002 and 2003, it is estimated that the open road check off will generate \$24,000 annually.

Department of Transportation

4. The nine member commission will meet four times annually.
5. Each member would travel an average of 150 miles each direction to attend meetings.
6. Mileage expense would be \$4,374 annually. (9 members x 4 meetings x 150 miles each way x 40.5 cents)
7. Meals would cost \$1,656. (9 members x 4 meetings x 2 days x \$23)

Fiscal Note Request HB0787, As Introduced

(continued)

8. Lodging would cost \$2,520. (9 members x 4 meetings x 2 nights x \$35)
9. Decals would cost \$1,800.
10. Total administrative expenditures would total \$10,350.
11. No expenditures for maintenance and improvement of roads would occur in the 2007 biennium.

Department of Fish, Wildlife, & Parks (FWP)

12. Under this bill, the Department of Transportation (DOT) estimates 28,750 decals would be sold generating \$345,000 of revenue. Revenues will be abated when transferred to DOT, so no expenditure authority is necessary for the department.
13. FWP will retain \$0.22/decals sold to cover administrative costs of accounting for the decals and money handled by license agents for the sale of open road decals. (28,750 x \$0.22 = \$6,325)
14. The net revenue that will be transferred to DOT will be \$338,675. (\$345,000 - \$6,325 = \$338,675)

FISCAL IMPACT:

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Department of Revenue		
<u>Revenues:</u>		
State Special Revenue (02)	\$24,000	\$24,000
Department of Transportation		
<u>Expenditures:</u>		
Operating Expenses	\$10,350	\$10,350
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$10,350	\$10,350
<u>Revenues:</u>		
State Special Revenue (02)	\$338,675	\$338,675
Department of Fish, Wildlife & Parks		
<u>Revenues:</u>		
State Special Revenue (02)	\$6,325	\$6,325
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	\$358,650	\$358,650

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:**Department of Transportation**

Transfers will ultimately be made from the new fund to counties to pay for the improvements

TECHNICAL NOTES:**Department of Transportation**

1. This note assumes enough revenue will be generated to pay for administrative costs at 3 percent.

Department of Fish, Wildlife, & Parks

2. Under current law, the definition of "transaction" in 87-2-903(6), MCA, would not allow a commission to be paid to license agents for the sale of open road decals.

Fiscal Note Request HB0787, As Introduced

(continued)

3. If HB 707 passes, the definition of a transaction will be broadened thus allowing payment of a \$0.50/decal commission to license agents. FWP will need additional spending authority in HB 2 to cover the cost
(28,750 x \$0.50 = \$14,375)